

By: Senator(s) Fillingane

To: Finance

SENATE BILL NO. 2825

1 AN ACT TO ENACT THE "RETAILER TAX FAIRNESS ACT"; TO DEFINE
2 CERTAIN TERMS RELATING TO ELECTRONIC PAYMENT TRANSACTIONS; TO
3 PROVIDE THAT A MERCHANT OR SELLER COLLECTING STATE TAXES OR LOCAL
4 TAXES FROM A PURCHASER IN ANY ELECTRONIC PAYMENT TRANSACTION FOR
5 WHICH THE MERCHANT OR SELLER PAYS OR IS CHARGED AN INTERCHANGE
6 FEE, AND HAS NOT PASSED ON THAT COST TO THE PURCHASER AS A
7 TRANSACTION FEE, WILL BE ENTITLED TO A CREDIT AGAINST SUCH TAXES;
8 TO PROVIDE FOR THE AMOUNT OF THE CREDIT; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 SECTION 1. (1) This section shall be known and may be cited
11 as the "Retailer Tax Fairness Act."

12 (2) For purposes of this section, the following words shall
13 have the meanings as defined in this section, unless the context
14 clearly requires otherwise:

15 (a) "Credit card" means any card, plate, coupon book,
16 or other credit device existing for the purpose of obtaining
17 money, property, labor, or services on credit.

18 (b) "Debit card" means any card, or other payment code
19 or device, issued or approved for use through a payment card
20 network to debit an asset account, regardless of the purpose for
21 which the account is established, whether authorization is based

22 on signature, personal identification number, or other means. The
23 term "debit card" includes a general-use prepaid card, as defined
24 in 15 USC Section 16931-1(a) (2) (A), and does not include paper
25 checks.

26 (c) "Electronic payment transaction" means a
27 transaction in which a person uses a debit card, credit card, or
28 other payment code or device, issued or approved through a payment
29 card network to debit a deposit account or use a line of credit,
30 whether authorization is based on a signature, personal
31 identification number, or other means.

32 (d) "Interchange fee" means a fee established, charged,
33 or received by a payment card network for the purpose of
34 compensating the issuer for its involvement in an electronic
35 payment transaction.

36 (e) "Issuer" means any entity issuing a debit card or
37 credit card, or the issuer's agent.

38 (f) "Payment card network" means an entity that:

39 (i) Directly, or through licensed members,
40 processors, or agents, provides the proprietary services,
41 infrastructure, and software that routes information and data to
42 conduct debit card or credit card transaction authorization,
43 clearance, and settlement; and

44 (ii) A merchant or seller uses in order to accept
45 as a form of payment a brand of debit card, credit card, or other
46 device that may be used to carry out debit or credit transactions.

47 (g) "Settlement" means the transfer of funds from a
48 customer's account to a merchant or seller upon electronic
49 submission of finalized sales transactions to the payment card
50 network.

59 (b) (i) For purposes of this section, the term "state
60 taxes" includes the amount of any taxes imposed under Title 27,
61 Chapter 65, Mississippi Code of 1972, and the amount of all state
62 taxes imposed under Sections 27-55-11, 27-55-519, 27-59-11,
63 49-17-407 and 65-33-47.

64 (ii) For purposes of this section, the term "local
65 tax" includes any tax levied and collected under the authority of
66 any local and private law of the State of Mississippi upon hotels,
67 motels, restaurants or otherwise.

68 **SECTION 2.** This act shall take effect and be in force from
69 and after July 1, 2025.

